

MAYOR & COUNCIL AGENDA COVER SHEET

MEETING DATE:

May 30, 2006

CALL TO PODIUM:

Fred Felton
Assistant City Manager

RESPONSIBLE STAFF:

Fred Felton
Tony Tomasello
Greg Ossont
Cindy Hines

AGENDA ITEM:

(please check one)

	Presentation
	Proclamation/Certificate
	Appointment
	Public Hearing
	Historic District
	Consent Item
	Ordinance
	Resolution
	Policy Discussion
X	Work Session Discussion Item
	Other:

PUBLIC HEARING HISTORY:

(Please complete this section if agenda item is a public hearing)

Introduced	
Advertised	
Hearing Date	
Record Held Open	
Policy Discussion	

TITLE:

Discussion on the Proposed East Diamond Avenue
Redevelopment Project (Archstone Smith)

SUPPORTING BACKGROUND:

As you will recall, the concept of higher density residential redevelopment was a key theme of the fall 2004 Olde Towne Revitalization Charrette; however, the multi-family component was envisioned as condominiums rather than rental units.

During the course of the Charrette, there was considerable discussion about potential redevelopment on East Diamond Avenue. For your review, we have attached the Olde Towne plan for Sector 3 that includes the proposed redevelopment area. It is noteworthy that the Master Plan calls for residential redevelopment of the property containing the City's Youth Center and retail/office infill development in the surface lot behind Victor Litz (parcel P 936).

Mr. Clifford and Archstone approached the City about purchasing the Youth Center parcel and obtaining development rights for parcel 936, but staff would not recommend that the City Council consider disposing of these properties until we saw a fairly detailed plan for the proposed redevelopment.

In May of 2005, staff began meeting with Mr. Clifford and representatives of Archstone to discuss their plan, and numerous modifications and improvements were made over time. For your review, we have attached some of the architecture and the footprint for the project. Staff is very pleased with the quality of the architecture, but has lingering concerns that the footprint of the building is larger than desirable.

As the City Council are aware, it is necessary for the City to obtain a new site for the Olde Towne Youth Center prior to allowing redevelopment of the existing site. We have identified an excellent location on the grounds of Gaithersburg Middle School, and are working with MCPS to obtain development rights. Additionally, it will be necessary to obtain a portion of the right-of-way for Teachers Way Extended from the Board of Education to facilitate this project.

It is important to note that the City does not currently own parcel P 936, but we are in the process of obtaining the parcel in a land swap with Montgomery County.

-Continued on page 2-

DESIRED OUTCOME:

Hear presentation and provide guidance to staff.

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Supporting Background Continued

Staff has been working very closely with MCPS and the County to obtain the necessary property acquisitions, and it appears that all three will come to fruition. At this point, it appears that MCPS will dedicate the land for Teachers Way Extended, the County will swap parcel P 936 for parcels P 829 & P 831, and that MCPS will execute a long term lease with the City for the new Youth Center.

On December 19, 2005, the Mayor and City Council passed a resolution authorizing the City Manager to negotiate and execute a contract to sell the Youth Center property (parcel N 948)

Negotiations with Archstone progressed favorably until a concern arose as to whether the project would be apartments or condominiums. While the units will technically be condominiums, Archstone maintains that they need the flexibility to initially offer them as rental units. For all practical purposes, staff believes it would be essentially an apartment complex.

Representatives of Archstone will be in attendance to at the work session to present their plan and explain why they need the flexibility of initially offering the units as rentals. While the City would not normally have the ability to prevent the owner of a condominium project from individually renting the units, the City could require that a covenant restricting rentals be placed on a project as a condition of selling the City property.

At the conclusion of the work session, staff will be seeking guidance on the following:

- 1) Does the City Council want the City Manager to continue negotiating with Archstone to sell City property if the project would be rental?
- 2) Does the Council believe that parcel 936 should be incorporated into this development regardless of whether they are ownership units or rental units?
- 3) If the City Council determines that rental units are desirable at this location, is the scale and density of the proposed project appropriate?

Attachments:

- 1) Sector 3 of Olde Towne Master Plan
- 2) Proposed overall project footprint
- 3) Proposed elevations (three sheets)



SECTOR 3

Sector 3 is characterized by a wide variety of land uses including vibrant retail, two public schools, an area of historic architecture, and a large area of light industrial uses. Sector 3 transitions quickly from the light industrial uses on the east side to Olde Towne's retail core at the intersection of Summit and Diamond Avenues – the heart of Olde Towne life and activity. Recommendations that address and improve the relationship among these seemingly disparate uses are proposed below.

Existing Light Industrial Facilities

Many auto repair and light industrial facilities are located on the east side of this Sector. These uses provide valuable services to Gaithersburg residents and are proposed to remain in their existing condition. Several members of the community suggested a commercial entertainment facility or music/dance hall that would host live music events (like the Birchmere in Alexandria, VA). The light industrial buildings in Sector 3 would adapt well to these entertainment uses. Though a specific location for a music hall facility is not shown, an entertainment use would be an appropriate redevelopment opportunity.

Special landscaping and welcome and directional signage at the termini of Girard Street and Railroad Street would improve these prominent gateways into Olde Towne for visitors arriving from the east.

Northeast Corner of Diamond Avenue

Recent developer interest in this area of Olde Towne suggests likely change in the short-term. To realize the maximum development potential of this large parcel assem-

blage, buildings could achieve a height of five stories in mixed-use structures. Ground floor retail uses would extend the pedestrian-friendly, "Main Street" character of Diamond Avenue eastward. Residential uses, both above the retail and in separate structures, would provide exciting class "A" living in the heart of Olde Towne. Structured parking for this mixed-use project would be provided by an integrated facility.

A separate building proposed along Summit Avenue, next to the Gaithersburg Elementary School, could accommodate ground floor retail uses with a small amount of office uses on the upper floors. To ensure that the historic character of Olde Towne remains intact, this new building should maintain and respect the existing retail located at the northeast corner of Summit and Diamond Avenues. Parking for this building could be accommodated in the parking structure located within the adjacent mixed-use project. The first level of the parking garage would be reserved for public parking and accommodate the retail uses located in this part of Olde Towne. The upper levels would be reserved for adjacent residential uses.

The houses located at 320, 408, 402, and 404 East Diamond Avenue (placed in order of significance) have been found to be significant to Gaithersburg by the Historic Preservation Advisory Committee and should be relocated and preserved, if possible. At such time development is proposed for these properties, the developer of the proposed development shall actively pursue the relocation of the single family houses

Olde Towne Heritage Area

Several residential structures along the north side of Diamond Avenue are listed in the City's historic buildings inventory. Defined by a proposed Olde Towne Heritage Area, these structures recall the City's rail and agricultural history and are recommended to remain in their existing condition. Many of these buildings serve as small professional offices—an appropriate use that should be encouraged to buffer the proposed residential development adjacent to the Gaithersburg Middle School (see below) from the light industrial uses south of Diamond Avenue.

Town Home Development

The deep parcels between Diamond Avenue and the Gaithersburg Middle School (the parcels on which many of the historic structures sit - see Olde Towne Heritage Area, above) represent significant mid-term development opportunity. The City should initiate a process that would subdivide, acquire, and assemble these large parcels to facilitate new town home development in this area. Fronting onto the proposed extension of Teacher's Way (see *Connectivity Improvements*, below), new town homes would diversify Olde Towne's housing stock and provide home ownership opportunities. The City should consider the extension of Teacher's Way early in master plan implementation to make this area more attractive for redevelopment.

An additional mixed-use building is also proposed for this area. This structure is envisioned as a three-story building with ground floor retail and office uses on the upper floors. At three stories, this structure would

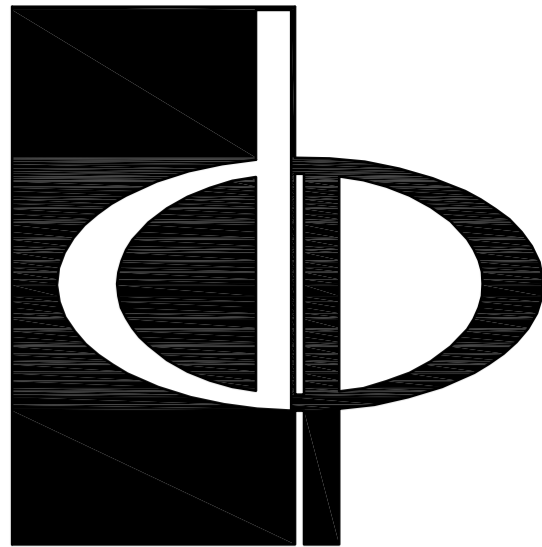
provide an appropriate transition in height and scale from the large, mixed-use development proposed to the west, and the town homes and Olde Towne Heritage Area proposed to the east. The construction of this building would displace the Gaithersburg Youth Center, which would be relocated to a site with convenient access to the Gaithersburg Middle School.

Connectivity Improvements

Additional recommendations are proposed in Sector 3 that improve pedestrian and vehicular connectivity within Olde Towne and outlying areas. The extension of Victory Farm Drive would establish a parallel route to Summit Avenue between Diamond Avenue and Girard Street, providing an additional route to the Gaithersburg Elementary and Middle Schools and potentially reducing the traffic burden Summit Avenue now carries. A small neighborhood green that offsets Victory Farm Drive at Teacher's Way makes the route less direct and would slow the speed of traffic through this area. The extension of Victory Farm Drive is also illustrated in Sector 5 (see page 29). The extension of Teacher's Way would establish a parallel route to Diamond Avenue between Girard Street and Summit Avenue, potentially reducing the traffic load Diamond Avenue now bears. The extension of Teacher's Way would also create substantial value to adjacent parcels, increasing the likelihood of their redevelopment in the near- to mid-term. Though it is strongly recommended that Teacher's Way extend to Summit Avenue, the proposal must be studied in greater detail. A traffic study should be initiated to determine the impact

of a new intersection at Summit Avenue, as well as future right of way acquisition issues with Montgomery County Public Schools (MCPS) and private property owners. The design of Teacher's Way and Victory Farm Drive will incorporate pedestrian safety and traffic calming measures. Following the redevelopment of the northeast corner of Diamond Avenue, a pedestrian bridge over the railroad tracks located at the terminus of Victory Farm and Dogwood Drives should be studied. This bridge would improve Olde Towne's pedestrian accessibility for neighborhoods to the southeast and provide a safe alternative route for children on their way to and from school. A small plaza at the base of the pedestrian bridge and a small commercial infill structure complete the ensemble.

A proposed hiker/biker trail that traverses Olde Towne parallel to the railroad tracks would connect many important Olde Towne features, provide a valuable recreational amenity, and improve the quality of life for Olde Towne residents. The trail would connect to the proposed pedestrian bridge so that trail users could continue north on a proposed extension of the trail (see Sector 5, below). The trail could connect to the Gaithersburg and Washington Grove MARC rail stations and to the Shady Grove Metro Station, providing residents an opportunity to walk or bike to catch a train to work. Trail users from outside of the City could learn of Gaithersburg's history at the History Museum and interpretive signage at Olde Towne Plaza. Bike racks conveniently located in Olde Towne Plaza would encourage bikers to shop and dine in Olde Towne establishments.



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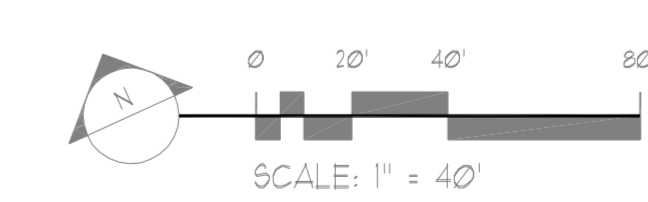
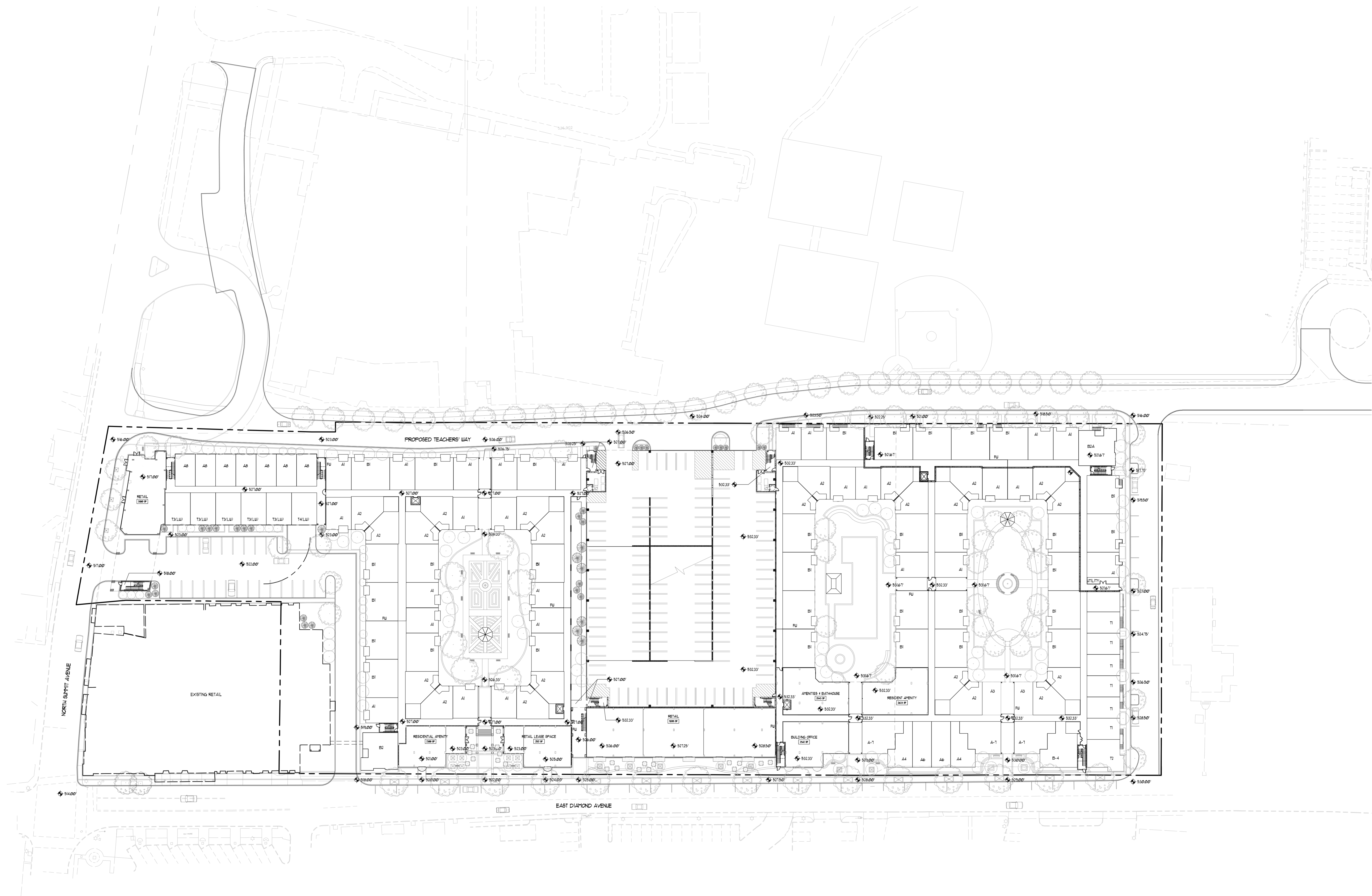
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EAST DIAMOND
SITE PLAN

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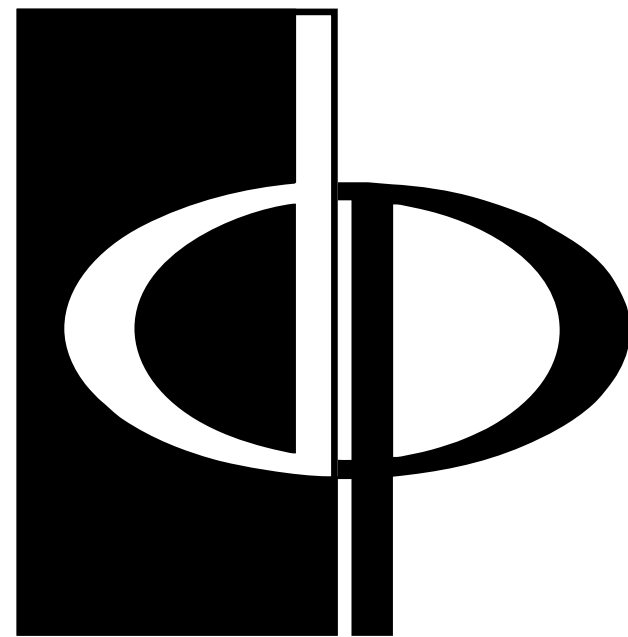




PERSPECTIVE AT EAST CORNER OF E. DIAMOND AVENUE TOWNHOUSES



PERSPECTIVE LOOKING SOUTHWEST ON TEACHER'S WAY TOWARD GARAGE



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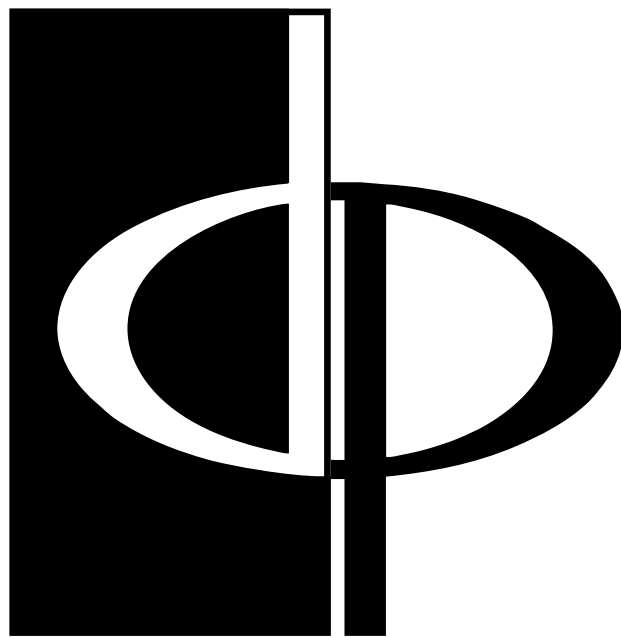
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PERSPECTIVE OF RETAIL ON E.DIAMOND AVENUE LOOKING EAST



PERSPECTIVE OF RETAIL AND PUBLIC ENTRANCE ON E.DIAMOND AVENUE



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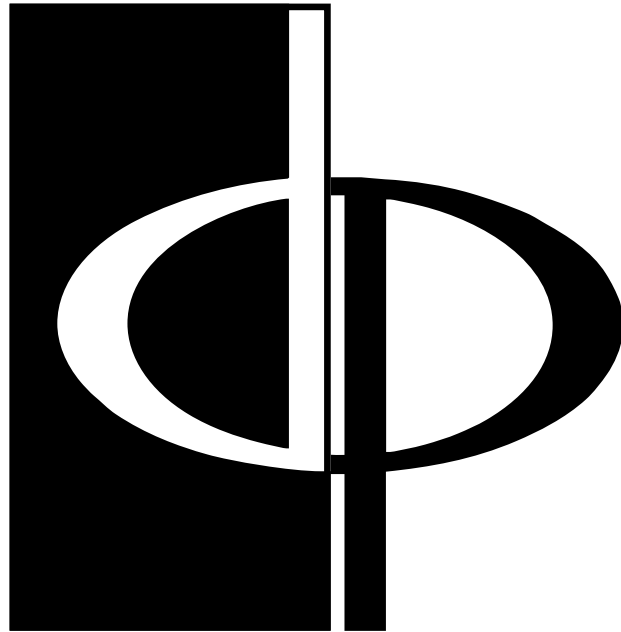
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PERSPECTIVE VIEW LOOKING EAST UP E.DIAMOND AVENUE



PERSPECTIVE VIEW LOOKING WEST ON E. DIAMOND AVENUE



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